



# Electronic Shelf Tags

Are they less cost-prohibitive than you think?

*Electronic shelf tags are an investment. We mean this in both a financial sense – new tags will save you more in the long run than they will up front – and a convenience sense, as electronic shelf tags can dramatically free up your time to focus on your most important tasks. So what costs are required to purchase electronic shelf tags, and when can you expect to see a return on that investment?*

## What are the expenses?

In addition to the more than a thousand actual tags you'll need to purchase, your store will need to buy transceivers, shelf stripping and IR keys as well. The precise amount, and therefore cost, of each of these things will obviously depend on the size of your store, but initial results indicate that regardless of how extensive your installation is, your return on investment is likely to be quicker than initially expected.

## Can electronic shelf tags pay for themselves?

When you buy electronic shelf tags, you're paying for more than just new technology. You're also buying convenience that traditional tags cannot provide. On average, electronic shelf tags provide an estimated savings of 75 percent of your previous tag-related labor hours on an annual basis. That means no more printing tags, stuffing tag holders, adding titles for late adoptions, filling out "not yet arrived" cards, or any number of other menial tasks related to traditional shelf tags.

Savings come from more than just reducing or reallocating labor costs, too. Electronic shelf tags allow you to check on inventory stock, re-order points, last order date and other information right at the shelf.

Your sales staff will now have much more time available for assisting customers, and will be able to do so in a faster and more productive manner thanks to the efficiency of your electronic shelf tags. You can even expect to see an added advantage over your competitors because the shelf tags will automatically link and update pricing throughout each day. That means you'll always have the most current information on the correct shelf tag.

Conservatively, stores can expect to receive a full return on their investment in three years. However, initial industry data gathered over the few years since bookstores began using electronic shelf tags indicates that most stores are seeing a return significantly faster than that – typically somewhere around 18 months, but occasionally in as little time as a single year. With approximately five years worth of battery life in each tag, you're looking at multiple years of extra value after the tags have essentially paid for themselves.